### Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.



A389 F31F

AD-33 Bookplate (5-61)

## UNITED STATES DEPARTMENT OF AGRICULTURE LIBRARY



BOOK NUMBER A389 F31F

# FOOD IS A GOOD BUY



FEDERAL EXTENSION SERVICE
U. S. DEPARTMENT OF AGRICULTURE

With wages from 8 buy this much

### MORE

food than he could in 1947-49



4.8 LBS MORE CHOICE B



4 1-LB. LOAV MORE BREAD

8 hrs. would buy

IN 1947-49

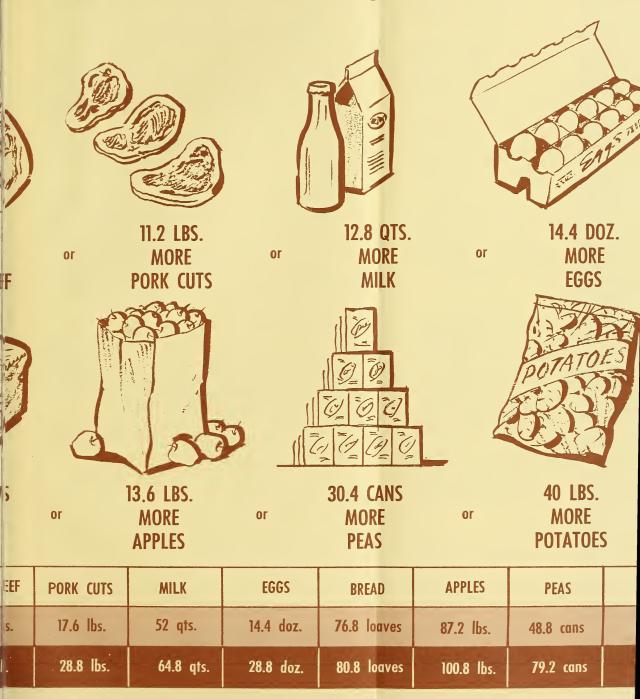
IN 1960

15.2

CHOICE

20

### hours' work a factory worker can





With wages from 8 hours' work a factory worker can

buy this much

### MORE

food than he could in 1947-49



4.8 LBS. MORE CHOICE BEEF



11.2 LBS. More Pork cuts



12.8 QTS. More Milk



14.4 DOZ. MORE EGGS



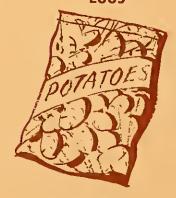
4 1-LB. LOAVES MORE BREAD



13.6 LBS. MORE APPLES

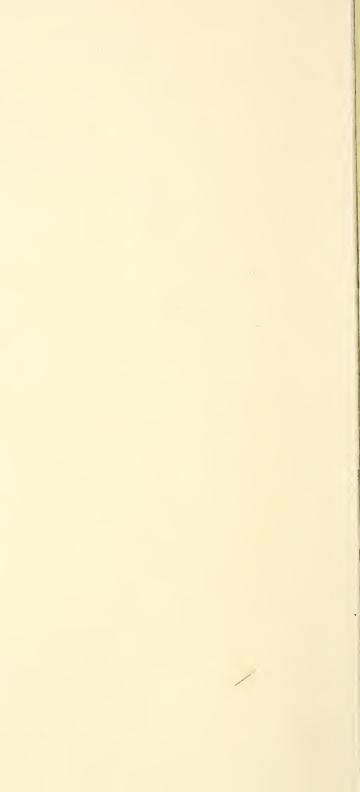


30.4 CANS MORE PEAS



40 LBS. MORE POTATOES

8 hrs. would buy	>	CHOICE BEEF	PORK CUTS	MILK	EGGS	8READ	APPLES	PEAS	POTATOES
_ IN 1947-49	>	15.2 lbs.	17.6 lbs.	52 gts.	14.4 doz.	76.8 looves	87.2 lbs.	48.8 cans	192 lbs.
IN 1960	>	20 lbs.	28.8 lbs.	64.8 qts.	28.8 doz.	80.8 looves	100.8 lbs.	79.2 cons	232 lbs.



### The Real Cost of Food

Food is one of today's best buys. We are eating better, more nutritious, more varied meals at lower real cost than ever before.

What is the real cost of food? Perhaps the best measure of cost is the number of hours we have to

work to pay for our food needs.

The average factory worker in this country today can buy a market basket of farm food for a whole month with the earnings from 43 hours of work. In 1952 he worked 55 hours and in 1947 he worked 64 hours to buy the same amount of food.

Although we spend fewer real dollars, it's true that we consumers spend more at the grocery store than we used to. We spent \$394 per person for food in 1960, compared with \$319 in 1947-49. But the 1960 food costs represented only 20% of our disposable income, compared to 26% in 1947-49.

And if we bought the same quantities and kinds of food today as before World War II, we could eat for even less. If we ate the same foods as we did in 1939, for example, only 15 cents of our spendable dollars would go for food, rather than 20 cents.

#### Where the Money Goes

Who receives these extra food dollars? Not the farmer! While the retail cost of the "family farm food market basket" increased \$112 since 1947-49, the return to the farmer actually decreased \$58.

Higher marketing costs account for most of the increase. While the return to the farmer went down 12 percent, labor costs climbed 39 percent, transportation costs went up 43 percent, and other business expenses advanced 33 percent.

About 39 cents of each dollar spent for farm food goes to the farmer or rancher. This is an average for all foods, with wide variation for individual items depending on the processing and other marketing services needed.

For example, the farmer receives:

49 cents of the 81 cents spent for a pound of choice beef

2.3 cents for the corn in a 26-cent box of corn flakes

About 11 cents from a 25-cent quart of milk 2.3 cents for the wheat in a 20-cent loaf of bread 9 cents for the oranges in a 23-cent can of frozen

juice

#### Cost of Living

Prices paid by consumers for all goods and services—the cost of living—rose 28 percent from 1947-49 to mid-1961. Contributing to this rise were:

Housing—Up 32 percent Medical Care—Up 61 percent Transportation—Up 48 percent

Food prices during the same period rose only 21 percent. So the relative stability of food prices—compared with other goods and services—actually helped keep the overall cost of living from rising more than it did.

Housewives may think food costs too much when they see food prices rising. But they may not realize that incomes have been climbing much faster than food prices.

According to the U. S. Bureau of Labor Statistics, the take-home pay of the average wage earner in manufacturing in 1960 was 57 percent higher than in 1947-49. But the increase in food prices was only 20 percent. So the wage earner had "extra" income to spend on other items—like television sets, boats, camping equipment, vacations, and other things.

#### **Living Better**

We are spending more money—and we are living better than ever before. We're eating better, too. And our food purchases are taking a smaller—not a larger—portion of our pay check.

Yes, food is one of today's best buys.

Issued August 1961

Cooperative Extension Work: United States Department of Agriculture and State Land-Grant Colleges and Universities Cooperating.

